



UNITED STATES DISTRICT COURT

FOR THE CENTRAL DISTRICT OF CALIFORNIA

January 2024 Grand Jury

UNITED STATES OF AMERICA,

CR No. 2:24-cr-00214 -MEMF

Plaintiff,

I N D I C T M E N T

v.

[18 U.S.C. § 1349: Conspiracy to Commit Wire Fraud; 18 U.S.C. § 1343: Wire Fraud; 18 U.S.C. § 1957: Engaging in a Monetary Transaction in Property Derived from Specified Unlawful Activity; 18 U.S.C. § 982: Criminal Forfeiture]

YURI KHATCHIKYAN,
aka "Ghost," and
YELENA KARAPETYAN,
Defendants.

3. Lodestar Logistics, Inc. ("Lodestar") was an S corporation controlled by defendants KHATCHIKYAN and KARAPETYAN.

4. Harvest Small Business Finance, LLC ("Harvest Small Business Finance") was a lender serving small business borrowers approved by the Small Business Administration ("SBA").

5. Defendants KHATCHIKYAN and KARAPETYAN controlled a joint personal checking account with Bank of America (the "Joint Checking Account").

6. Defendants KHATCHIKYAN and KARAPETYAN controlled a business checking account in the name of Lodestar Logistics, Inc. with Bank of America (the "Lodestar Account").

The Economic Injury Disaster Loan Program

7. The SBA administered the Economic Injury Disaster Loan Program ("EIDL") to provide low-interest financing to small businesses affected by declared disasters. In or about March 2020, Congress passed the Coronavirus Aid, Relief, and Economic Security ("CARES") Act, which authorized the SBA to provide EIDL loans of up to \$2,000,000 to eligible small businesses experiencing substantial financial disruption as a result of the COVID-19 pandemic.

8. To obtain an EIDL loan, a qualifying small business was required to submit a loan application through the SBA's online web portal. In the EIDL loan application, the applicant was required to provide, among other information, the gross revenue for the twelve months preceding January 31, 2020.

9. As part of application and to be eligible to obtain the EIDL loan, the applicant was required to answer various background questions and make certain certifications under penalty of perjury. One such background question asked whether, within the past five

1 years, for any felony, the applicant had been "convicted, plead
2 guilty, plead nolo contendere, been placed on pretrial diversion, or
3 been placed on any form of parole or probation (including probation
4 before judgment)." The applicant was also required to certify that
5 "all information in [the] application and submitted with [the]
6 application [was] true and correct to the best of [the applicant's]
7 knowledge" and that the applicant would "submit truthful information
8 in the future." The application included a warning that "any false
9 statement or misrepresentation to the SBA [could] result in criminal
10 . . . sanctions including, but not limited to . . . fines and
11 imprisonment, or both."

12 10. After being approved for an EIDL loan by the SBA and before
13 receiving disbursement of the loan, the applicant was required to
14 sign a "Loan Authorization and Agreement" in which the applicant
15 agreed to use all EIDL loan proceeds "solely as working capital to
16 alleviate economic injury caused by disaster occurring in the month
17 of January 31, 2020 and continuing thereafter" and to pay certain
18 Uniform Commercial Code filing fees and handling charges.

19 The Paycheck Protection Program

20 11. As part of the CARES Act, Congress also authorized \$600
21 billion in forgivable loans through the Paycheck Protection Program
22 ("PPP"). Through the PPP, the SBA would facilitate loans to small
23 businesses to pay up to eight weeks of payroll costs, interest on
24 mortgages, rent, and utilities.

25 12. Small businesses and sole proprietorships could apply for
26 PPP relief through one of over 4,900 SBA-designated lending
27 institutions. The application required applicants to complete and
28 transmit to the lender an SBA Form 2483, which required the applicant

1 to identify the entity's average monthly payroll and certify that
2 "[t]he Applicant was in operation on February 15, 2020, and had
3 employees for whom it paid salaries and payroll taxes or paid
4 independent contractors," that "[c]urrent economic uncertainty ma[de]
5 this loan request necessary to support the ongoing operations of the
6 Applicant," and that "[t]he funds [would] be used to retain workers
7 and maintain payroll or make mortgage interest payments, lease
8 payments, and utility payments, as specified under [PPP] Rules." The
9 applicant was also required to acknowledge that "I understand that if
10 the funds are used for unauthorized purposes, the federal government
11 may pursue criminal fraud charges."

12 13. The PPP loan application required the small business,
13 through its authorized representative, to state, among other things,
14 its number of employees and average monthly payroll expenses. Those
15 figures were used to calculate the amount of money the small business
16 was eligible to receive under the PPP. Businesses applying for a PPP
17 loan were required to provide documentation showing their payroll
18 expenses.

19 14. Once a borrower provided the lender its application,
20 including the requisite certifications, the lender would underwrite
21 the loan and transmit the application to the SBA via an electronic
22 platform. Loans guaranteed under the PPP were 100% guaranteed by the
23 SBA. The full principal amount could qualify for loan forgiveness,
24 provided at least 75% of the loan amount was used for payroll costs.

25 B. THE OBJECT OF THE CONSPIRACY

26 15. Beginning no later than in or around July 2020 and
27 continuing through at least in or around June 2021, in Los Angeles
28 County, within the Central District of California, defendants

1 KHATCHIKYAN and KARAPETYAN conspired with each other and with others
2 known and unknown to the Grand Jury to commit wire fraud, in
3 violation of Title 18, United States Code, Section 1343.

4 C. THE MANNER AND MEANS OF THE CONSPIRACY

5 16. The object of the conspiracy was to be carried out, and was
6 carried out, in substance, as follows:

7 a. Defendants KHATCHIKYAN and KARAPETYAN would apply
8 electronically to the SBA and lenders for EIDL and PPP loans for
9 their purported businesses, including Lodestar and Yuriy Khatchikyan.

10 b. To create the false appearance that Lodestar was
11 legitimate, defendants KHATCHIKYAN and KARAPETYAN would update
12 Lodestar's business filings on the California Secretary of State site
13 and would open the Lodestar Account.

14 c. In submitting their EIDL and PPP loan applications,
15 defendants KHATCHIKYAN and KARAPETYAN would intentionally make and
16 cause to be made false statements to the SBA and other lenders,
17 including false representations regarding their businesses' gross
18 revenues and regarding defendant KHATCHIKYAN's criminal history and
19 false certifications that the loan funds would be used for
20 permissible business purposes. Defendant KHATCHIKYAN would also
21 cause to be submitted false documents, including false and fictitious
22 tax documents.

23 d. At the time of these applications, defendants
24 KHATCHIKYAN and KARAPETYAN knew that the representations in their
25 applications, including the representations regarding their
26 businesses' gross revenues, were false, and that certain tax
27 documents submitted in support of those applications were fraudulent.
28 In making these false representations and submitting these fabricated

1 documents, defendants KHATCHIKYAN and KARAPETYAN intended that the
2 SBA and lenders would rely on those representations and documents to
3 approve their applications and the amount to be disbursed.

4 e. Defendants KHATCHIKYAN and KARAPETYAN would cause the
5 SBA and lenders to deposit funds into the Lodestar Account and the
6 Joint Checking Account.

7 f. Defendants KHATCHIKYAN and KARAPETYAN would then use
8 the fraudulently obtained loan proceeds for their own personal
9 benefit, including to purchase a home and for expenses prohibited
10 under the requirements of the PPP and EIDL programs.

11 D. OVERT ACTS

12 17. On or about the following dates, in furtherance of the
13 conspiracy and to accomplish its object, defendants KHATCHIKYAN and
14 KARAPETYAN, together with others known and unknown to the Grand Jury,
15 committed and willfully caused others to commit the following overt
16 acts, among others, within the Central District and elsewhere:

17 Overt Act No. 1: On July 3, 2020, defendant KARAPETYAN filed
18 a Statement of Information for Lodestar with the California Secretary
19 of State, listing the business as a "Truck Transportation" business
20 and listing herself as the Chief Executive Officer, Secretary, Chief
21 Financial Officer, Director, and Agent for Service of Process.

22 Overt Act No. 2: On July 3, 2020, defendant KARAPETYAN
23 electronically submitted an EIDL application for Lodestar, in which
24 she falsely represented that Lodestar had been established in 2018
25 and had 2019 gross revenues of \$314,000.

26 Overt Act No. 3: On July 10, 2023, defendants KHATCHIKYAN and
27 KARAPETYAN opened the Lodestar Account, listing defendant KARAPETYAN
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1 as the president of the corporation and defendant KHATCHIKYAN as a
2 signer.

3 Overt Act No. 4: On July 13, 2020, defendant KARAPETYAN
4 called the SBA to check on the status of the EIDL application for
5 Lodestar.

6 Overt Act No. 5: On July 20, 2020, defendant KARAPETYAN
7 called the SBA to check on the status of the EIDL application for
8 Lodestar.

9 Overt Act No. 6: On July 23, 2020, defendant KARAPETYAN
10 electronically signed a loan agreement between Lodestar and the SBA
11 in which she (1) certified that all representations in her
12 application were true, correct, and complete; (2) agreed to use all
13 loan proceeds solely as working capital to alleviate economic injury
14 caused by the COVID-19 pandemic; and (3) agreed not to use, directly
15 or indirectly, any portion of the Loan to relocate without the prior
16 written permission of SBA.

17 Overt Act No. 7: On July 24, 2020, defendant KHATCHIKYAN
18 electronically submitted an EIDL application for Yuriy Khatchikyan in
19 which he falsely represented (1) that Yuriy Khatchikyan was a tractor
20 trailer transportation business established in 2018 that had 2019
21 gross revenues of \$315,000; and (2) that within the last five years,
22 he had not been convicted, pled guilty, pled nolo contendere, been
23 placed on pretrial diversion, or been placed on any form of parole or
24 probation for any felony.

25 Overt Act No. 8: On July 24, 2020, defendant KHATCHIKYAN
26 electronically signed a loan agreement between Yuriy Khatchikyan and
27 the SBA, in which he certified that all representations in his
28 application were true, correct, and complete, and agreed (1) to use

1 all loan proceeds solely as working capital to alleviate economic
2 injury caused by the COVID-19 pandemic; and (2) not to use, directly
3 or indirectly, any portion of the loan to relocate without the prior
4 written permission of SBA.

5 Overt Act No. 9: On August 3, 2020, defendants KHATCHIKYAN
6 and KARAPETYAN accepted from the SBA a transfer of approximately
7 \$144,900 into the Lodestar Account based on the fraudulent July 3,
8 2020 loan application and fraudulent July 23, 2020 loan agreement.

9 Overt Act No. 10: On August 4, 2020, defendants KHATCHIKYAN
10 and KARAPETYAN accepted from the SBA a transfer of approximately
11 \$144,900 into the Joint Checking Account based on the fraudulent July
12 24, 2020 loan application and July 24, 2020 loan agreement.

13 Overt Act No. 11: On September 29, 2020, defendants
14 KHATCHIKYAN and KARAPETYAN purchased real property, namely, 15921
15 Foothill Blvd., Sylmar, California, using the proceeds of the
16 fraudulently obtained EIDL loans discussed above.

17 Overt Act No. 12: On May 20, 2021, defendant KHATCHIKYAN
18 electronically submitted a PPP loan application to various lenders,
19 including Harvest Small Business Finance, in which he sought \$20,833
20 to cover payroll costs for Yuriy Khatchikyan. With the application,
21 defendant KHATCHIKYAN submitted a fictitious 2020 IRS Form Schedule C
22 - Profit or Loss From Business showing business gross revenues of
23 \$103,251 for 2020, which defendant KHATCHIKYAN knew to be fabricated.
24 In submitting the PPP application, defendant KHATCHIKYAN falsely
25 represented (a) that within the last five years, he had not been
26 convicted, pled guilty, pled nolo contendere, been placed on pretrial
27 diversion, or been placed on any form of parole or probation for any
28 felony; and (b) that all information provided in the application and

1 supporting documentation was true and accurate in all material
2 respects.

3 Overt Act No. 13: On June 1, 2021, defendants KHATCHIKYAN and
4 KARAPETYAN accepted from Harvest Small Business Finance a transfer of
5 approximately \$20,833 into the Joint Checking Account based on the
6 fraudulent May 20, 2021 loan application.

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1 COUNTS TWO THROUGH FOUR

2 [18 U.S.C. §§ 1343, 2(a)]

3 [ALL DEFENDANTS]

4 18. The Grand Jury re-alleges paragraphs 1 through 14 and 16
5 through 17 of this Indictment here.

6 A. THE SCHEME TO DEFRAUD

7 19. Beginning no later than in or around July 2020, and
8 continuing until at least in or around June 2021, in Los Angeles
9 County, within the Central District of California, and elsewhere,
10 defendants KHATCHIKYAN and KARAPETYAN, together and with others known
11 and unknown to the Grand Jury, each aiding and abetting the other,
12 knowingly and with intent to defraud devised, intended to devise, and
13 participated in a scheme to defraud the SBA and other lenders and to
14 obtain money and property by means of material false pretenses,
15 representations, and promises, and the concealment of material facts.

16 20. The fraudulent scheme operated and was carried out, in
17 substance, as described in paragraph 16 of this Indictment.

18 B. USE OF THE WIRES

19 21. On or about the dates set forth below, in Los Angeles
20 County, within the Central District of California, and elsewhere,
21 defendants KHATCHIKYAN and KARAPETYAN, each aiding and abetting the
22 other, for the purpose of executing the above-described scheme to
23 defraud, transmitted and caused the transmission of the following
24 items by means of wire communications in interstate commerce:

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COUNT	DATE	ITEM TRANSMITTED BY WIRE
TWO	7/23/2020	Loan Authorization and Agreement for EIDL loan in the name of Lodestar submitted by means of interstate wires from the Central District of California to the SBA
THREE	7/24/2020	Loan Authorization and Agreement for EIDL loan in the name of Yuriy Khatchikyan submitted by means of interstate wires from the Central District of California to the SBA
FOUR	5/20/2021	Submission of PPP loan application in the name of Yuriy Khatchikyan to Harvest Small Business Finance via a server outside the State of California

1 COUNT FIVE

2 [18 U.S.C. §§ 1957(a), 2(a), 2(b)]

3 [ALL DEFENDANTS]

4 On or about September 29, 2020, in Los Angeles County, within
5 the Central District of California, defendants YURI KHATCHIKYAN, also
6 known as "Ghost," and YELENA KARAPETYAN, each aiding and abetting the
7 other, knowing that the property involved represented the proceeds of
8 some form of unlawful activity, knowingly engaged in a monetary
9 transaction in criminally derived property of a value greater than
10 \$10,000, which property, in fact, was derived from specified unlawful
11 activity, namely, wire fraud, in violation of Title 18, United States
12 Code, Section 1343, as charged in Counts Two and Three of this
13 Indictment, in that defendants KHATCHIKYAN and KARAPETYAN caused
14 approximately \$90,813.31 to be transferred to an escrow company on
15 their behalf to close their purchase of real property located at
16 15921 Foothill Blvd., Sylmar, California.

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1 FORFEITURE ALLEGATION ONE

2 [18 U.S.C. § 982(a)(2)]

3 1. Pursuant to Rule 32.2(a) of the Federal Rules of Criminal
4 Procedure, notice is hereby given that the United States of America
5 will seek forfeiture as part of any sentence, pursuant to Title 18,
6 United States Code, Section 982(a)(2), in the event of any
7 defendant's conviction of the offenses set forth in any of Counts One
8 through Four of this Indictment.

9 2. Any defendant so convicted shall forfeit to the United
10 States of America the following:

11 (a) All right, title and interest in any and all property,
12 real or personal, constituting, or derived from, any proceeds
13 obtained, directly or indirectly, as a result of the offense; and

14 (b) To the extent such property is not available for
15 forfeiture, a sum of money equal to the total value of the property
16 described in subparagraph (a).

17 3. Pursuant to Title 21, United States Code, Section 853(p),
18 as incorporated by Title 18, United States Code, Section 982(b), any
19 defendant so convicted shall forfeit substitute property, up to the
20 total value of the property described in the preceding paragraph if,
21 as the result of any act or omission of said defendant, the property
22 described in the preceding paragraph, or any portion thereof: (a)
23 cannot be located upon the exercise of due diligence; (b) has been
24 transferred, sold to or deposited with a third party; (c) has been
25 placed beyond the jurisdiction of the court; (d) has been
substantially diminished in value; or (e) has been commingled with
other property that cannot be divided without difficulty.

1 FORFEITURE ALLEGATION TWO

2 [18 U.S.C. § 982(a)(1)]

3 1. Pursuant to Rule 32.2(a) of the Federal Rules of Criminal
4 Procedure, notice is hereby given that the United States will seek
5 forfeiture as part of any sentence, pursuant to Title 18, United
6 States Code, Section 982(a)(1), in the event of any defendant's
7 conviction of the offense set forth in Count Five of this Indictment.

8 2. Any defendant so convicted shall forfeit to the United
9 States of America the following:

10 (a) Any property, real or personal, involved in such
11 offense, and any property traceable to such property; and

12 (b) To the extent such property is not available for
13 forfeiture, a sum of money equal to the total value of the property
14 described in subparagraph (a).

15 3. Pursuant to Title 21, United States Code, Section 853(p), as
16 incorporated by Title 18, United States Code, Section 982(b)(1), and
17 Title 18, United States Code, Section 982(b)(2), any defendant so
18 convicted shall forfeit substitute property, if, by any act or
19 omission of said defendant, the property described in the preceding
20 paragraph, or any portion thereof: (a) cannot be located upon the
21 exercise of due diligence; (b) has been transferred, sold to, or
22 deposited with a third party; (c) has been placed beyond the
23 jurisdiction of the court; (d) has been substantially diminished in
24 value; or (e) has been commingled with other property that cannot be
25 divided without difficulty. Substitution of assets shall not be
26 ordered, however, where the convicted defendant acted merely as an
27 intermediary who handled but did not retain the property in the
28 course of the money laundering offense unless the defendant, in

1 committing the offense or offenses giving rise to the forfeiture,
2 conducted three or more separate transactions involving a total of
3 \$100,000.00 or more in any twelve-month period.

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5 A TRUE BILL

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7 /s/
8 Foreperson

9 E. MARTIN ESTRADA
10 United States Attorney

11 MACK E. JENKINS
12 Assistant United States Attorney
13 Chief, Criminal Division



14 SCOTT M. GARRINGER
15 Assistant United States Attorney
16 Deputy Chief, Criminal Division

17 BENEDETTO L. BALDING
18 Assistant United States Attorney
19 Deputy Chief, General Crimes
20 Section

21 KATHRYNNE N. SEIDEN
22 Assistant United States Attorney
23 Terrorism and Export Crimes Section

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